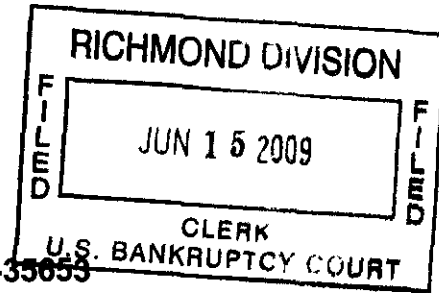


**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**



IN RE:

CIRCUIT CITY STORES, INC. et al.,

DEBTORS

§
§
§
§
§
§

**CASE NO. 08-35653
(JOINTLY ADMINISTERED)**

CHAPTER 11

**TRAVIS COUNTY'S APPLICATION FOR
PAYMENT OF ADMINISTRATIVE EXPENSE (2009)**

THIS PLEADING REQUESTS RELIEF THAT MAY BE ADVERSE TO YOUR INTERESTS. IF NO TIMELY RESPONSE IS FILED WITHIN TWENTY (20) DAYS FROM THE DATE OF SERVICE, NO HEARING WILL BE HELD AND THE RELIEF REQUESTED IN THE MOTION WILL BE GRANTED WITHOUT A HEARING BEING HELD. TIMELY FILED RESPONSE IS NECESSARY FOR A HEARING TO BE HELD.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, Nelda Wells Spears, Travis County Tax Collector, for and on behalf of the following: Travis County, City of Austin, Austin Independent School District, Austin Community College, Travis County Hospital District (hereinafter referred to as "Travis County"), by and through her counsel of record, David Escamilla, Travis County Attorney, and files this her Application for Payment of Administrative Expense (the "Application") pursuant to 11 U.S.C. §503 (b) (1) (A), and in support thereof would show as follows:

1. Circuit City Stores, Inc., et al. ("Debtors") filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code on November 10, 2008.
2. Administrative expenses which should be paid as an ongoing expense of the Debtors' estate include taxes against property of the estate in the estimated amount

\$121,008.34. Because the specific amount of debt has not been determined under Texas law, the estimated amount of the 2009 taxes is based on the amount of the previous year.

3. Said debt is for ad valorem property taxes due under the Texas Tax Code, Chapter 11, being Taxable Property and Exemptions Chapter. The ad valorem property taxes are delinquent if not paid before February 1st of the year following the year in which the taxes were imposed, according to Texas Property Tax Code §31.02.

4. Since the ad valorem property taxes for the tax years 2009 were incurred subsequent to the filing of the petition in bankruptcy, they are an administrative expenses of the estate and Movant is entitled to request and receive payment for such taxes as a first priority claim under §507(a)(1) and §503(b)(1) of the Bankruptcy Code. United States v. Friendship College, Inc., 737 F.2d 430 (4th Cir. 1984); In re: Allied Mechanical Services v. Cranshaw, 885 B.R. 192, 194 (Bankruptcy E.D.N.Y., 1988); Collier on Bankruptcy, 507.04(1)(a) (15th ed. 1989).

5. Additionally, the ad valorem property taxes should be paid pursuant to 28 U.S.C. §§ 959 and 960. The statutes provide in pertinent part as follows:

[A] trustee, receiver, or manager appointed in any cause pending in any court of the United States, including a debtor-in-possession, shall manage and operate the property in his possession as such trustee, receiver or manager according to the requirements of the valid laws of the state in which such property is situated, in the same manner that the owner or possessor thereof would be bound to do if in possession thereof.

Any officers and agents conducting any business under authority of a United States Court shall be subject to all Federal, State and Local Taxes applicable to such business to the same extent as if it were conducted by an individual or corporation.

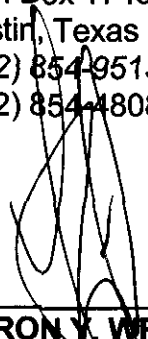
WHEREFORE, PREMISES CONSIDERED, Travis County prays that this Court:

1. **ORDER** the Debtors to remit the ad valorem property tax as set forth above in Paragraph Two (2), and any additional charges that have accrued since the filing of the bankruptcy petition by the Debtors; and
2. **ORDER** said remittance to be sent in care of Karon Y. Wright, Assistant County Attorney, Bankruptcy Section, P.O. Box 1748, Austin, Texas 78767, within ten (10) days from the entry of the Court's Order.

Respectfully submitted,

DAVID ESCAMILLA
Travis County Attorney
P.O. Box 1748
Austin, Texas 78767
(512) 854-9513 Telephone
(512) 854-4808 Telecopier

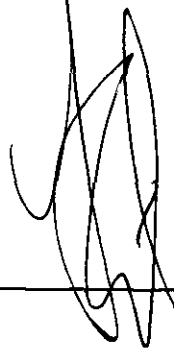
By:



KARON Y. WRIGHT
Assistant County Attorney
Texas Bar No. 22044700
karon.wright@co.travis.tx.us

CERTIFICATE OF SERVICE

I, Karon Y. Wright, Assistant County Attorney, hereby certify that a true and correct copy of the foregoing **Travis County's Application for Payment of Administrative Expense** has been sent by United States First Class Mail to the parties listed below on this **5th** day of **June 2009**.



CLAIMS AGENT

Circuit City Stores, Inc., et al.
Claims Processing Dept.
c/o Kurtzman Carson Consultants LLC
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El Segundo, California 90245

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U. S. TRUSTEE

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COLLECTIONS DIVISION

J. ELLIOTT BECK
JAMES E. PRITCHARD
KARON Y. WRIGHT†
URSULA MANN

†MEMBER OF THE COLLEGE
OF THE STATE BAR

Friday, June 05, 2009

United States Bankruptcy Court
1100 E. Main Street, #310
Richmond, Virginia 23219

RE: *In re Circuit City Stores, Inc., et al.*; Case No. 08-35653, Chapter 11 in the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division

Dear Clerk:

Enclosed please find an original and 4 copies of Travis County's Administrative Application for Payment of Administrative Expense (2009) and Order Granting Travis County's Application for Payment of Administrative Expense (2009). Please file the enclosed and return a file-marked copy of the document to our office. I have enclosed a self addressed, stamped envelope for your convenience.

Should you have any questions, please do not hesitate to contact our office.

Sincerely,

A handwritten signature in black ink that reads "Kedra Williams". The signature is fluid and cursive.

Kedra D. Williams
Clerk to Karon Y. Wright

KYW/kdw

Enclosures